

CIRCULAR ECONOMY

South Africa

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environmental affairs

Department:
Environmental Affairs
REPUBLIC OF SOUTH AFRICA



INTRODUCTION

The South African **government recognizes the role** of the CE in developing a sustainable, low carbon, resource-efficient and globally competitive economy.

The Department of Environment, Forestry and Fisheries is mandated to do the following (Section 24b of the Constitution):

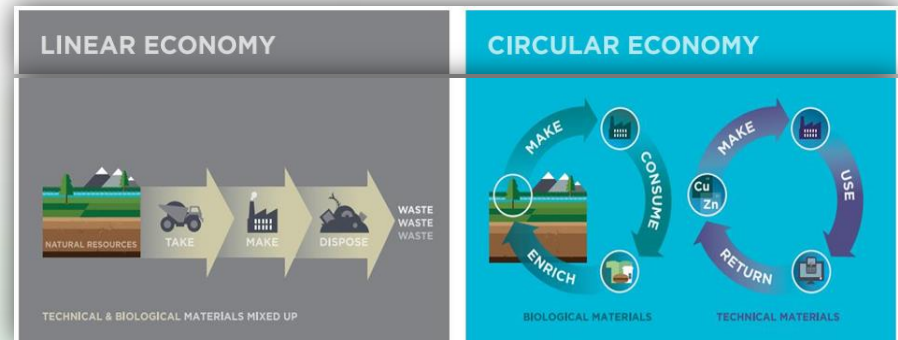
- ensure the **protection of the environment**;
- **conservation of natural resources**; and
- provide **policy** direction and necessary **legislation** in addressing integrated waste management.



CIRCULAR ECONOMY INTRODUCTION

Implementation of Circular Economy promotes Sustainable Consumption and Production patterns (SDG12)

Need to reduce our current over-reliance on virgin input material and move towards closed-loop systems where in virgin material as input material is reduced



Opportunities

- Job creation opportunities
- Creates new markets (Industries)
- Creates business opportunities
- Promote sustainable consumption and production practices
- Attract new investments
- New skills development

BACKGROUND

- South Africa's policy landscape provides for a transition towards a circular economy.
- Phase 1 of the Switch Africa Green Programme has undertaken a **review** of laws, policies and the business environment that would underpin the Country's transition towards a **low carbon, resource efficient and climate resilient development path**.
- The study under phase 1 has re-iterated that Policies and legislations are indeed promulgated to create an enabling environment for a circular economy

RSA CIRCULAR ECONOMY POLICIES

- **National Development Plan (NDP)** – CHPT 5 promotes the green economy.
- **South African National Strategy for Sustainable Development (NSSD 1)** prioritizes the green economy transition and recognizes SCP.
- The **National Waste Management Strategy (NWMS)** which mainly focuses on Waste Management.
- At private sector level, noteworthy of mention are a number of **Forward-thinking businesses** who are tracking their Environmental, Social and Governance (ESG) Performance indicators which are inclusive of **diverting organic waste and recyclables** from landfill with many aiming to become zero-waste-to-landfill industries.



ENABLING ENVIRONMENT

- Waste-related legislation most pertinent to the green economy and the circular economy includes the following:
 - National Environmental Management Act, 107 of 1998
 - National Environmental Management: Waste Act, 59 of 2008
 - National Waste Management Strategy (NWMS), (DEA 2010)
 - National Environmental Management: Waste Amendment Act, 2014
 - Industrial Waste Management Plans: Tyres, Paper, Plastic and Electronic Waste



RSA Circular Economy Guideline

- The South African Circular Economy Guideline was finalised in **2019**.
- Focus of the guideline is on **waste and related activities**.
- Training will be rolled out through the Green Economy Transition (GET) programme in partnership with the GIZ German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety to **capacitate government officials** from various sectors on the concept of a circular economy – Training planned for 1st half of 2020
- **Hosting of a webinar** to introduce the concepts identified in the guideline and the work being done internationally and within South Africa to promote sustainable consumption and production.
- A comprehensive **training module** will be developed based on the guidelines.
- 25 Officials will attend the 3 day training course.
- Complete Guideline Document is currently undergoing **lay-out and design** and will be published on various electronic platforms.
- Furthermore through its various partnerships and stakeholders the DEA will **actively promote the use and the uptake of the guideline**

Fiscal Instruments

- South Africa has implemented a number of **fiscal instruments** that drives the transition towards a circular economy. Important to note that policy alignment is key and that existing policies should not contradict each other. Most notable these are:
 - Carbon Tax Act
 - Plastic bag levy implemented. Currently under review.
 - SA is also investigating the role for a tax on “single-use” plastic to curb its use and encourage recycling.
 - Government announced in Budget 2019 that it would consider options to reform existing environmental taxes, including waste levies to broaden their coverage and strengthen price signals.
 - A draft Environmental Fiscal Reform policy paper has been compiled. The tyre levy was implemented as part of the Extended Producer Responsibility.
 - Sin-Taxes – Changing consumer behaviour



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LIMITATIONS TO ADVANCING A CE AGENDA

- **Funding:** Significant private sector investment (revise existing systems: EE, RE and Water Efficiency) and new business models and are needed. National Cleaner Production Centre (NCPC) supports private sector. **Start-up funding** for SMME's to transition into SCP practices.
- **Enforcement:** lack of enforcement leads to confusion in the market place and a tendency to bypass legal requirements.
- **Capacity Building:** limited knowledge on practical application of CE in a business process: (Reverse logistics)
- **Holistic planning:** can avoid market failures
- **Some Sectors are hard to transition:** Mining, Chemicals, Cement, Manufacturing (Steel) high energy intensive industries (large Carbon footprints) – will take time to transition, promote the implement clean development mechanisms

THANK YOU!

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